

CHAPTER 9 FUND REQUESTS

INSTRUCTIONS FOR COMPLETING FUND REQUEST

PLEASE REQUEST IN WHOLE DOLLAR AMOUNTS. WE WILL ROUND UP IF REQUESTING CENTS.

The **Fund Request**, is used to request CDBG funds and can be submitted monthly to request a cash draw. **A completed Fund Request must also be submitted if the program's funds-on-hand exceeds \$5,000 at the end of a month.**

The form is available as a pdf file, an Excel 2000 document, or a Word 2000 document and is available on the HCD Website: http://hcd.ca.gov/ca/cdbg/gmm/far_forms.html.

PREDESCRIBED CONDITIONS

Your CDBG contract will contain conditions that must be met prior to your incurring administrative and/or program activity costs, and prior to drawing down CDBG funds. For example, most grantees may incur general administrative costs from the effective date of the contract but may not incur costs or expend funds for program activities until they fulfill the environmental review requirements and any special conditions of the contract.

Review your contract to determine which special conditions must be met prior to incurring program activity costs to be paid with CDBG funds. Once the Department has confirmed in writing that you have met the conditions, you may incur program activity costs.

Remember that no costs incurred prior to the effective date of your CDBG contract may be charged to CDBG unless you have special written permission from the Department. Once the contract is signed by the State, eligible expenditures may be incurred and expended against the grant subject to the contract terms.

INSTRUCTIONS FOR HEADING

Grantee, address, and phone number: Enter the jurisdiction's name, mailing address, and phone number. Note: Warrants will be mailed to the address shown on the Grantee's Standard Agreement and not the address shown on the above heading.

Preparer, title, organization, phone number and E-mail Address. Enter the name, and other information requested, of the person to contact regarding questions on the Cash Request.

Grant No: Enter the grant number shown on the Standard Agreement.

Grant Amend. #: If the grant has been amended, please enter the number of the last amendment. Show N/A (not applicable) if no amendments have been approved.

Execution and Expiration Date: Enter the execution date of the grant, located on the bottom right corner of the Standard Agreement, and the date the grant expires.

Type of Fund Request: Check one or more boxes to show the type of fund request being submitted:

- **Advance** - The initial request for an advance may be for the first two months' fund needs as estimated in your application. In most cases, this will be for general administrative costs only. Additional advance of funds may be requested when your monthly cash flow analysis indicates a need for additional funds. At the time of a request, funds-on-hand, including program income devoted to the activities should not exceed \$5,000 without clear justification. Be advised that federal regulations require program income to be used prior to expending grant funds. Advances may only be requested up until the 27th month of the contract for 30-month grants or 90 days before the expiration of a planning grant. Funds requested after these dates must be requested on a reimbursement basis. When requesting an **Advance, you must complete Section III and/ or IV of the FAR Semi-Annual Report.**
- **Reimbursement** - You may request grant funds on a reimbursement basis for CDBG goods and services paid from non-CDBG sources.
Note: Advances to a subcontractor should not be classified as a reimbursement of cost.
- **Lump sum** - Lump-sum draw downs are permitted only for the loan pool portion of Housing Rehabilitation activities. The general administration and activity delivery portion of the CDBG grant must be requested using either the advance or reimbursement methods described above. **When requesting Lump Sum, you must fill out Section V of the FAR Semi-Annual Report.**
- **Final Fund Request** – The final fund request is accepted up to 45 days after the expiration date of the grant. Please mark the “**Final Fund Request**” box on your last Fund Request.

FUND REQUEST

The Fund Request is used to request grant funds. The Fund Request also shows the status of the grant funds, including the amount disbursed and the funds-on-hand. The Fund Request is due by the end of each month (if needed) or quarter.

A completed Fund Request is due within 30 days after the quarterly report period ends and up to 45 days after the expiration date (Final Fund Request).

Request Number: Enter the request number. Fund Requests will be numbered consecutively 1, 2, 3... Also number Fund Requests that are requesting zero funds.

Report Period: Enter the report period covered by the Fund Request. Normally, the date will be from the **first to the last day** of a month or quarter. The exceptions will be the first and last report, which may start or end in the middle of a month.

Column (1) Contract Activities: List the **grant activities**, as shown on the first page of the Standard Agreement.

Column (2) HUD Code: List the **HUD Code** for each activity, as shown on the first page of the Standard Agreement. Note: Call your program representative if the HUD Code is missing.

Column (3) Budgeted Amount: List the **amount budgeted** for each activity, as shown on the first page of the Standard Agreement.

Column (4) Total Requested to Date: List the **total** CDBG funds requested on **previous** fund requests for each activity.

Column (5) Total CDBG Funds Received: List the **total** CDBG funds **received** for each activity as of the end of the report period.

Column (6) CDBG Funds Requested Not Received: List the **total** CDBG Funds **Requested** but **not received** as of the end of this report period.

Column (7) Total CDBG Funds Disbursed: List the **total** CDBG funds **disbursed** for each activity as of the end of the report period. Do not include cash disbursed from other non-CDBG sources. Only report CDBG funds disbursed.

Column (8) Funds-On-Hand: List the **difference** between columns 5 minus 7. This is the funds-on-hand, which must be tracked by activity. If the total funds-on-hand for **all** activities **exceeds \$5,000** at the end of a month, a Fund Request must be completed and submitted to the Department even if no funds are being requested. **An explanation must be given in the comment section if funds-on-hand exceeds \$5,000.**

Note: During the term of the grant, it is possible that an activity could have a negative balance. At grant expiration, no activity will have a negative fund balance.

Column (9) Funds Requested: List the amount of CDBG funds being requested for each activity. Sound cash management procedures need to be established to ensure the funds requested do not exceed the program's 30 days cash needs. The exception would be fund draws for the lump sum account and the initial fund request.

PLANNING AND TECHNICAL ASSISTANCE GRANTS ONLY – EXPENDITURE OF MATCH FUNDS

Column (1) Allocation – Economic Development and/or General.

Column (2) Activity – List the **Activity** for the **Match Funds**.

Column (3) Budgeted Amount – List **Match Fund** as shown in the Standard Agreement for the corresponding allocation.

Column (4) Previously Reported – List **Total Expenditure** amount from previous Fund Request.

Column (5) Expended This Period – List this periods **Expenditure** amount.

Column (6) Total Expenditure – Add **Previously** Reported Amounts (Col. 4) to **Expended This Period** Amounts (Col. 5).

EXPENDITURE OF PROGRAM INCOME ON ACTIVITIES ASSOCIATED WITH THIS GRANT

Column (1) Activity Name – List the **Activity Name** of the **Program Income Expenditure**.

Column (2) HUD Code – List the **HUD Code** associated with the **Activity**.

Column (3) Budgeted Amount – List the approved **Budgeted Amount** of the **Program Income Expenditures**.

Column (4) Previously Reported – List the **Total Expenditure amount Column (6)** from the prior **Fund Request**.

Column (5) Expended This Period – List amount of **Expenditures** in this **Report Period**.

Column (6) Total Expenditures – Total of each line, **Column 4 PLUS (+) Column 5**.

GRANTEE CERTIFICATION

An authorized person must sign the fund request. A subcontractor cannot sign the fund request.

COMMON PROBLEMS

- Incurring costs or requesting funds for project activities prior to the clearance of grant conditions.
- Request for advance exceeds amount required for immediate (30-day) needs.
- Request date on Fund Request is after the expiration date.
- Expenditures were incurred after the expiration date of the grant.
- Reporting expenditures from other sources.
- Report Number and Reporting Period Omitted.

DEPARTMENT'S ROLE

CDBG fiscal and program staff review each Fund Request and will return it to you if corrections are needed. Staff will compare the request to recent reports to assess the actual expenditures and need for funds.

REFERENCES

- 24 CFR 570.489© (1) establishes rules for advances and interest earnings thereon.
- 24 CFR 570.513 establishes lump-sum drawdown requirements.
- 24 CFR 560.511 describes the escrow account.
- Treasury Circular 1075 sets the policy for sound cash management practices.

CDBG Fund Request

(May submit once a month; required at least once a quarter even if zero funds requested)
Date: _____